

September 2021 Board Meeting Summary

The Lake Region Electric Cooperative (LREC) Board of Directors convened at 8:00 a.m. on Thursday, September 30, 2021 at the cooperative headquarters in Pelican Rapids, MN. The Board of Directors approved the minutes of the August 26, 2021 board meeting. Approval was also given to the consent agenda items of expense statements, disbursements, legal bills, new memberships, and capital credit retirements to estates.

CEO Report: CEO Tim Thompson discussed the Brews + Your Views and Coffee with the Co-op member engagement grassroots meetings LREC is holding in various locations around the cooperative's service territory. The meetings have generally been well attended, generating good discussion.

Strategic Plan: Thompson gave an overview of some key items in LREC's 2022 Strategic Plan: employee engagement, NISC conversion, GRE's Project Phoenix, LREC's wholesale cost projection, rate position, reliability/Exacter, DGIP, and vegetation management. Department imperatives for 2022 were highlighted by staff.

LREC's budget schedule aligns with the 2022 strategic work plan initiatives.

Financial Report: August 2021 financials were approved as presented. LREC continued to see favorable energy sales during the month of August, with revenue ahead of budget for the month. Power cost for the month was over budget and controllable expenses were under budget.

Capital Credits: The board approved the 2021 capital credit retirement of 2.0 percent. The total general retirement is \$1,873,947.

Policy: The board approved edits made to *Policy 704—Anti-Discrimination/Anti-Harassment*.

Future Events: Dates and locations were confirmed for the 2022 District Meetings planned for Districts 3, 6, and 9. Director candidate information meetings will be held in December in Districts 6 and 9.

Great River Energy (GRE): Board Member Mike Brasel discussed key topics from the September board meeting and GRE's August financial results. CEO Tim Thompson reported on the most recent member managers meeting.

Lake Region Energy Services: The income statement/balance sheet for August 2021 was approved. August revenue was behind budget and gas supply cost for the month was over budget. Controllable expenses came in under budget.